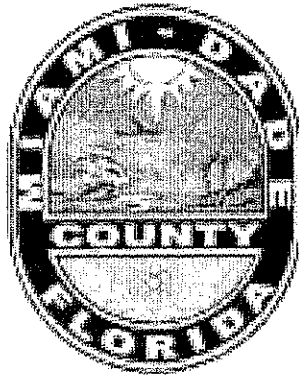


Miami Dade County

Stephen P. Clark Government Center
111 N.W. 1st Street
Miami, Fl. 33128



Office of the Commission Auditor

LEGISLATIVE ANALYSIS

Friday December 10, 2004

2:00 PM

Commission Chambers

Board of County Commissioners

Transportation Committee

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

*REPORT ON PROPOSED AMENDMENT TO THE PEOPLE'S TRANSPORTATION
PLAN TO INCLUDE USE OF CHARTER COUNTY TRANSIT SURTAX FUNDS FOR
EXISTING MIAMI-DADE TRANSIT SERVICE*

County Manager

I. SUMMARY

This report was developed by the County Manager at the direction of Transportation Committee Chairman Commission Denis Moss. It outlines some proposed amendments, to the Peoples Transportation Plan (PTP), that the Manager feels may be necessary in order to move forward with the plan in an expeditious manner.

Further, the report contains an attached "White Paper", developed by the Manager along with Surface Transportation Manager Carlos Bonzon. The White Paper details the need for PTP funds to be combined with all other revenue sources utilized by Miami-Dade Transit (MDT) in order to move the new projects forward while also maintaining a better level of service for programs that existed prior to the passage of the PTP and associated Surtax.

II. PRESENT SITUATION

On November 5, 2002 the voters of Miami-Dade County approved a .5 cent "Surtax" for transportation improvements in Miami-Dade County. This Surtax was anticipated to generate upwards of \$150 million to be utilized for these improvements. Leading up to the referendum, employees of Miami-Dade County along with community leaders and citizens held a series of workshops to develop a plan that would meet the needs of the County. From these community meetings, the Peoples Transportation Plan was developed.

Subsequent to these community meeting, and prior to the referendum, the Board of County Commissioners (BCC) approved the PTP as the outline to follow in order to best utilize the monies derived from the proposed Surtax. This plan specified that all monies generated from this Transportation Surtax shall be held in an account separate from all other revenues utilized by the user Departments, to be used for transportation improvements contained in a long term plan developed in conjunction with Metropolitan Planning Organization (MPO).

Through a number of Agenda Items brought before the BCC since the passage of the Surtax, the issue has been raised as to whether Surtax monies should be used for solely for the expansion projects related to the countywide transit and transportation infrastructure, or whether these funds could or should be utilized to subsidize programs that were in existence prior to the creation of the Surtax. The Commission has voted on at least two (2) occasions (Misc. Capital Improvements in October of 2003 and STS improvements in November of 2004) to utilize Surtax funds on existing programs.

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December 10, 2004

Some members of the community, as well as local media, have expressed that using the Surtax monies for existing programs and deficits was not how the PTP was sold to the citizens of Miami-Dade County. However, the County Manager and MDT contend that the existing transit infrastructure needed to be properly maintained with a series of "one time fixes" prior to expansion of the entire system.

The BCC also approved the creation of the Citizens Independent Transportation Trust (CITT) to oversee the expenditure of surtax funds. Any amendments to the original PTP would need to be approved by the CITT prior final approval by the BCC. If the CITT does not approve any amendment, the BCC could override the CITT decision with a 2/3 vote.

III. POLICY CHANGE AND IMPLICATION

This report recommends amendments to the PTP that would further allow that Surtax monies be utilized to subsidize the system as it existed prior to the passage of the PTP.

The White Paper associated with this report maintains that Surtax monies must be utilized in conjunction with all other monies in order to improve the existing infrastructure as well as expand the transportation system as a whole.

These proposed amendments would need to be approved by the CITT.

There may be some public outcry with regards to how the PTP was presented to the citizens of Miami-Dade County prior to the vote on November 5, 2002.

IV. ECONOMIC IMPACT

One specific impact recommended in this report is \$23.9 million in Surtax funds to be used to cover a FY 2001-2002 deficit on existing services. **This shortfall was prior to the passage of the PTP.**

Any monies utilized for existing programs or any expanded programs that were not explicitly contained in the original PTP and associated pro-forma, will necessitate an amendment to the plan to be presented to the BCC. The Board must consider that funds spent on unanticipated shortfalls to current programs, or unanticipated costs to the expansion of the Rail System, will have a direct negative effect on the County's ability to provide what was presented to the community prior to, and on, November 5, 2002.

Further this report recommend that the General Fund Subsidy allocated to MDT, know as the Maintenance of Effort (MOE) increase by 3.5 percent annually to cover the rising costs of existing programs. **However, this increase is not reflected in the pro-from provided to you today as an attachment to this item. (SEE Attach. A pg1, line 3 under revenues)**

V. COMMENTS AND QUESTIONS

Attachment A, pg 2, contains a list of Rail Improvement Costs. These figures do not seem consistent with previous cost assumptions that have been presented to this Board.

On the same page (Attach. A pg. 2) there are also projections related to "Fare Box Recovery" ratios. These assumptions also do not seem consistent with the reality of current ridership.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING SETTLEMENT AGREEMENT WITH URS CORPORATION SOUTHERN, ON MIA NEW NORTHSIDE RUNWAY PROJECT NO. B046B AT MIAMI INTERNATIONAL AIRPORT; AUTHORIZING THE COUNTY MANAGER OR HIS DESIGNEE TO EXECUTE AND RECEIVE ALL NECESSARY DOCUMENTS, INCLUDING RELEASES AND ASSIGNMENTS

Aviation Department

I. SUMMARY

This Resolution approves a Settlement Agreement between URS Corporation Southern (URS) and the County. This settlement requires the County to pay URS \$495,000. On April 27, 1999 the Board approved Resolution No. R-410-99 authorized a Professional Services Agreement (PSA) with URS for a New Northside Runway at Miami International Airport (MIA) in the amount of \$8,965,688. The Department had secured 75% Federal Aviation Administration (FAA) dollars for the project earmarked at \$101,040,000. Since the project came in under budget, the FAA reduced its funding to \$79,787,657,

Miami-Dade Aviation Department (MDAD) negotiated with the FAA to try to keep the \$21,252,343 which they stood to lose. The FAA agreed to allow the use of the remaining funds if MDAD could develop projects that could be associated with the runway that could meet the FAA's funding eligibility criteria. MDAD did and authorized URS to design the additional projects under the existing PSA.

MDAD would have requested an amendment to the PSA to add additional dollars to the contract. The competitive process by which URS was selected included B/H/WBE subconsultant goals for the project. Subsequent to the award of the contract but prior to the additional work being required, the B/H/WBE Programs were declared unconstitutional requiring the County to procure a new A/E consultant.

The Manager awarded a new A/E contract pursuant to the County's Expedite Ordinance No. 00-104 on October 28, 2004. MDAD continued to use the services of URS during the time it took to secure the new consultant.

URS presented the County with \$781,134 in claims for additional services provided in the interim. URS and the MDAD negotiated the amount owed to them to \$495,000.

II. PRESENT SITUATION

The New Northside Runway project was completed in September 2003 and is open and operational. URS and the MDAD have negotiated a settlement amount of \$495,000.

III. POLICY CHANGE AND IMPLICATION

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None

IV. ECONOMIC IMPACT

The extend use of URS on this project while a new one was procured will cost the MDAD \$495,000 as opposed to an estimated \$4.5 million in liquidated indirect costs had any delays been caused by the owner. The settlement agreement eliminates any potential cost of litigation.

V. COMMENTS AND QUESTIONS

- URS is being recommended to the Board as the Prime Contractor on the Earlington Heights station to the Miami Intermodal Center (MIC) (See Attachment 1).

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Miami Herald, The (FL)

December 2, 2004

'SUPERCONSULTANT' PICKED FOR METRORAIL

Author: LARRY LEBOWITZ, llebowitz@herald.com

Edition: Final

Section: Metro & State

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Article Text:

One of the nation's largest engineering firms Wednesday emerged victorious in the fight to become Miami-Dade County's Metrorail expansion "superconsultant" in a deal that could be worth up to \$84 million over the next seven years.

A county selection committee Wednesday recommended a team of 15 firms headed by **Parsons Brinckerhoff Quade & Douglas** to help Miami-Dade Transit make the first substantive additions to the underperforming rail system since it opened two decades ago.

Before they could win the package, however, **Parsons Brinckerhoff** executives had to assure committee members that high-profile problems they had suffered with public jobs in Boston, St. Louis and Los Angeles were isolated, complicated situations - and that no one who worked on those projects would wind up working in Miami-Dade.

COMMISSION VOTE

If the county commission agrees to the panel's choice, **Parsons Brinckerhoff** will provide Transit with additional staff to help engineer, design, inspect, acquire rights-of-way, mitigate environmental damage along the proposed new rail corridors and try to persuade federal bureaucrats to pony up billions of matching dollars to pay for the program.

The proposed Metrorail expansion - and the consulting contract - is made possible by the passage in 2002 of a half-cent sales tax for mass transit.

"Our team can help you tremendously in safeguarding the public trust," William Anido, **Parsons Brinckerhoff's** leading executive in Miami, said minutes before his firm was picked.

County Manager George Burgess will now negotiate the contract terms and bring them to the county commission for consideration by late spring.

ISSUE FOR ALVAREZ

The decision comes at a time when new Mayor Carlos Alvarez says his highest priority is taking power over contract awards away from the county commission.

Surface Transportation Manager Carlos Bonzon says he worked with the Inspector General's Office to keep overt lobbying out of the process.

Bonzon tried to structure the transit contract to assure that Miami-Dade maintains complete control over the consultants and avoids a repeat of the lobbying and minority set-aside controversies that have dogged a similarly large contract with Dade Aviation Consultants at the airport.

The eventual selection of **Parsons** Brinckerhoff - and its team members, including DMJM/Harris, Spillis Candela, PBS&J and EAC Consulting - was virtually uncontested.

Three other teams originally competed for the contract. Two teams were eliminated by county staff at the outset, for failing to comply with the extensive proposal requirements, minority hiring thresholds and background checks.

The only other serious competitor, the second team of 22 firms headed by the similarly named but unrelated **Parsons** Transportation Group and engineering giant URS, bowed out Nov. 14 after both firms landed other lucrative Metrorail contracts.

Parsons Transportation will be lead designer on the proposed \$1 billion North Corridor that would run up Northwest 27th Avenue from Martin Luther King station to the Broward line near Pro Player Stadium.

URS landed the same role for the already funded \$260 million Metrorail spur that will be built from Earlington Heights station to the Miami Intermodal Center under construction near the airport.

SOME CONTROVERSIES

Parsons Brinckerhoff has a solid local reputation, but has run into serious, well-documented controversies with the \$14.6 billion Big Dig project in Boston, two transit projects in Los Angeles and a rail expansion in St. Louis that led to dueling lawsuits.

Anido and **Parsons** Brinckerhoff President William D. Smith thoroughly defended the firm's reputation, giving the selection committee a detailed explanation of their version of exactly what went wrong in all three communities.

Bonzon and Miami-Dade Transit Director Roosevelt Bradley said they were satisfied.

"I have no problem recommending this firm to take us into the future," Bradley said.

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LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING SETTLEMENT AGREEMENT IN THE AMOUNT OF \$450,000 BETWEEN MIAMI-DADE COUNTY AND DMJM+HARRIS, INC., FOR ALLEGED ERRORS AND OMISSIONS UNDER CONTRACTS TA97-MR10-1R, TA97-MR10-2 AND TA97-MR10-4 METRORAIL EXTENSION TO THE PALMETTO EXPRESSWAY AND MULTI-MODAL FACILITY; AND AUTHORIZING COUNTY MANAGER TO EXECUTE SETTLEMENT AGREEMENT

Miami-Dade Transit

I. SUMMARY

This resolution requests approval of a Settlement Agreement between Miami-Dade County and **DMJM+Harris, Inc.**

This Settlement is a result of design omissions and (or) errors related to the Metrorail Extension to the Palmetto Expressway and Multi-modal Facility.

II. PRESENT SITUATION

The Metrorail Extension was completed and opened for operation and revenue service in the spring of 2003.

While under construction, the County contends that 11 Change Orders were the result of errors and omissions in the design of the project created by DMJM Harris.

On October 11, 2001, the County sent the first, of three, letters advising DMJM+Harris of the County's intent to recover back charges. This resulted in negotiation between the County and DMJM.

In September 2004, DMJM made a "Best and Final" offer of \$450,000 in cash. The County Manager and the County Attorney's Offices are recommending acceptance.

III. POLICY CHANGE AND IMPLICATION

Settlement Agreements are consistent with County Policy in order recover damages without further litigation which can be an uncertain process.

On November 30, 2004 the BCC approved a similar Settlement Agreement with Post, Buckley, Schuh, & Jernigan (PBS&J) for approximately \$500,000 resulting similar design omissions and errors related to PBS&J's responsibility as design consultant on the Brickell People-Mover Extension Project.

IV. ECONOMIC IMPACT

The County would receive a \$450,000 cash payment.

V. COMMENTS AND QUESTIONS

DMJM+Harris, Inc. and PBS&J are both Sub-contractors to the Super-consultant Contract for the Peoples Transportation Plan (PTP) being recommended to the BCC.

There are no direct prohibitions against companies in ongoing litigation with the County from being awarded other contracts with the County.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT BETWEEN MIAMI-DADE COUNTY AND PARSONS TRANSPORTATION GROUP, TO PROVIDE PRELIMINARY ENGINEERING SERVICES FOR THE NORTH CORRIDOR, CONTRACT NO. TR05-NCPE, IN AN AMOUNT NOT TO EXCEED \$12,900,929.53

Miami-Dade Transit

I. SUMMARY

This resolution would approve a Professional Services Agreement (PSA) between Miami-Dade County and Parsons Transportation Group (Parsons) for the Preliminary Engineering Services associated with the North Corridor Metrorail project.

II. PRESENT SITUATION

On June 2, 1998, the Board of County Commissioners (BCC) approved an amendment (No. 8), to an ongoing PSA with Parsons, Brinkerhoff, Quade, & Douglas (PBQ&D), **(This is a totally different company than the Parsons Transportation Group)**, for Preliminary Engineering Services for a Locally Preferred Alternative (LPA) related to the North Corridor Mass Transit project.

The County entered into this agreement in the hopes that if the original "penny for transit" Surtax referendum passed, that the County would have the funding to move ahead with the North Corridor Metrorail project. When the referendum failed, MDT realized that a Heavy Rail (METRORAIL) project was not feasible and requested that PBQ&D come up with another alternative, give the lack of a dedicated local revenue source. The original Heavy Rail plans were put on hold and PBQ&D began to study Light-Rail, Dedicated Bus Rapid Transit (BRT) lanes, and other forms of mass transit along the corridor.

On November 5, 2002, the voters of Miami-Dade County approved the .5 cent Surtax and Peoples Transportation Plan (PTP) giving the County a dedicated revenue source to once again pursue a Heavy Rail Corridor along NW 27th Avenue.

Due to the length of time that had passed between the original Preliminary Designs created by PBQ&D and the present, not all the information derived from the former design could be used for the current corridor project. Thus MDT needs to procure another consultant to update the designs.

PBQ&D cannot be awarded the North Corridor project because they are the lead firm being recommended for the Master (or Superconsultant) project.

III. POLICY CHANGE AND IMPLICATION

None.

IV. ECONOMIC IMPACT

This portion of the agreement has a not to exceed ceiling of \$12,900,929.

However, the agreement also includes an option to include an additional estimated \$30-40 million for Final Design Services and \$30-40 million for Post Design work. These options could be exercised as Supplemental Agreements with Parsons upon approval of the BCC.

If approved by the BCC, this contract could be for upwards of \$70-80 million.

V. COMMENTS AND QUESTIONS

A similar contract for Preliminary Design and Engineering was awarded to HTNB Corp., at the November 30th meeting of the BCC for design work associated with the East/West Corridor.

Parsons Transportation Group also submitted a response for the Superconsultant Contract, but was ranked behind PBQ&D, who is being recommended to the BCC.

Attachment 1: Miami Herald Article from Dec. 2, 2004 on recommendation of Superconsultant Contract.

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December 2, 2004

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